



News Release

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IRS Issues Winter 2010 Statistics Of Income Bulletin

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WASHINGTON — The Internal Revenue Service today announced the release of the [winter 2010](#) issue of the Statistics of Income Bulletin, featuring data on: preliminary 2008 individual income taxes, 2007 marginal income tax rates and 2007 sales of capital assets.

Taxpayers filed 142.4 million individual income tax returns for 2008, which was 0.5 percent fewer than the 143.0 million returns filed for 2007. Adjusted gross income (AGI) also declined between 2007 and 2008, falling by 3.7 percent to \$8.2 trillion. This was the first time since 2002 that AGI decreased from the previous year. Also between 2007 and 2008, taxable income decreased 5.1 percent to \$5.6 trillion, total income tax decreased by 6.2 percent to \$1.0 trillion, and total tax liability fell by 6.0 percent to just under \$1.1 trillion.

Individual income tax returns reporting a tax liability in 2007 faced an average tax rate of 13.8 percent, the same as in 2006. Taxpayers with AGI of at least \$410,096, the top 1 percent of taxpayers, accounted for 22.8 percent of AGI in 2007, an increase of 0.8 percentage points. These taxpayers accounted for 40.4 percent of total income tax reported in 2007, an increase from 39.9 percent in the previous year.

For 2007, taxpayers realized \$914.0 billion in net capital gains less losses, reported on 283.1 million asset transactions with overall sales of \$5.3 trillion. Passthrough income represented the largest share of net gains less losses, followed by corporate stock.

This issue of the *SOI Bulletin* also contains articles on the following subjects:

- **Projections:** A grand total of 238 million tax returns are expected during calendar year 2010. This is 1 percent fewer than estimated 2009 filings of 240.4 million returns. The primary cause is the residual effect of the Economic Stimulus Act of 2008, which in 2009 produced an estimated 14.4 million returns above baseline projections. Grand total return filings are projected to reach 253.6 million by 2016.
- **Foreign recipients of U.S. income:** U.S.-source income payments to foreign persons rose to \$646.5 billion in 2007. Foreign corporations received \$472.0 billion (73.0 percent) of the total, while foreign governments and international organizations collected the next largest share, \$41.9 billion (6.5 percent). Foreign partnerships and foreign trusts (3.0 percent) and foreign individuals (2.7 percent) received a combined \$37.0 billion in gross income.
- **Split-Interest trusts:** The Pension Protection Act of 2006 brought major revisions to the Split-Interest Trust Information Return for 2007. All split-interest trusts

must now disclose the names of charities that receive distributions and the amount and type of distribution. Income from charitable lead trusts and pooled income funds is reported on this return, rather than on Form 1041. Information not pertaining to individuals is now open to the public. In 2008, 123,498 returns were filed; 94 percent were filed for charitable remainder trusts.

- Unrelated business income tax: Charitable and other tax-exempt-organizations reported \$11.3 billion in gross unrelated business income for 2006, offset by \$10.0 billion in deductions. The resulting net unrelated business taxable income totaled \$1.3 billion, which is 6 percent higher than for 2005. These organizations reported unrelated business income tax for 2006 of \$556.2 million.
- Interest-Charge Domestic International Sales Corporations: Interest-Charge Domestic International Sales Corporations: IC-DISC export gross receipts increased by 266 percent from 2004 (\$5.3 billion) to 2006 (\$19.3 billion). Net income (less deficit) rose from \$448 million to \$1.7 billion, and actual distributions to shareholders increased 317 percent, from \$433 million to \$1.8 billion.

Printed copies of the Statistics of Income Bulletin are available from the Superintendent of Documents, U.S. Government Printing Office, P.O. Box 371954, Pittsburgh, PA 15250-7954. The annual subscription rate is \$53 (\$74.20 foreign), single issues cost \$39 (\$48.75 foreign).

For more information about these data, write to the Director, Statistics of Income (SOI) Division, RAS:S, Internal Revenue Service, P.O. Box 2608, Washington, DC 20013-2608.